



The HST Blog

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Canada Revenue Agency Issues Form for Constructive Importer Arrangements

On January 9, 2014, the Canada Revenue Agency made available a form to be completed jointly by constructive importers and suppliers. The GST532 Form "[Agreement and Revocation of an Agreement Between Supplier and Constructive Importer](#)" is a form that must be completed and executed by both the supplier and the constructive importer.

Who is entitled to claim input tax credits (ITCs) for the GST paid in respect of the importation of goods has been a never ending debate. The GST532 Form helps limit the debate and make it easier for suppliers and constructive importers to prove to the CRA their intentions (and reduce the CRA's concern that both parties will attempt to recover the same GST).

If a GST/HST registered supplier and a constructive importer (also known as the *de facto* importer) complete the GST532 Form, they may agree the supplier should claim an ITC to recover the GST paid by the constructive importer at the border. This form is needed when the constructive importer is not registered for GST/HST purposes and, therefore, cannot claim ITCs to recover GST paid at the border. According to the general rule, persons who are not registrants cannot claim ITCs. Also according to the general rule, most imports of goods into Canada are subject to GST payable to the Canada Border Services Agency prior to the release of the goods from customs. These two general rules, created a problem.

[Policy Statement P-125R, "Input Tax Credit Entitlement for Tax on Imported Goods"](#) contains a number of examples where the constructive importer rules apply.

Comments (0) Read through and enter the discussion with the form at the end

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